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C O N F I D E N T I A L ASUNCION 000590

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TAGS: [PREL](#) [PGOV](#) [PA](#)
SUBJECT: CHAVEZ BREAKS ALL THE RULES

Classified By: Ambassador Liliana Ayalde; reasons 1.4 (b) and (d).

¶1. (C) SUMMARY: Venezuelan President Chavez attempted to steal President Lugo's limelight on and around his August 15 inauguration, but most of his efforts backfired, making him the object of widespread criticism in the Paraguayan press. Chavez did, however, get a good amount of "face time" with Lugo, as well as public credit for bailing Paraguay out of a potential gas crisis which was predicted to peak on August 15-16. While Lugo appeared alongside Chavez August 15-16, he was careful not to mimic Chavez' rhetoric. END SUMMARY.

STEALING THE SHOW?

¶2. (C) Venezuelan President Chavez attempted to steal President Lugo's limelight on and around his August 15 inauguration. Chavez asked for and received additional security (which ironically came in the form of support from Paraguay's U.S.-trained rapid response unit), and made a grand, exaggerated entrance at Lugo's inauguration in comparison to his counterparts from the region. High-ranking Paraguayan air force officials confided their frustration to the Ambassador that the Venezuelans insisted that Chavez' military aircraft not be parked next to the U.S.'s. Chavez also brought his own personal chef with him to Asuncion, refusing to eat or drink anything not prepared by the chef. At the formal greeting with Lugo following his swearing-in, Chavez brought a large, boisterous entourage in spite of Paraguayan protocol rules which allowed each country only three delegates each. Additionally, Chavez' bodyguards made headlines for several days after they roughed up members of the Paraguayan press corps, barring them from access to events that the "Bolivarian press" was allowed to cover.

CHAVEZ, THIS ISN'T YOUR COUNTRY

¶3. (C) The press reaction to Chavez' visit was negative. Lugo's new secretary of communications, Augusto Dos Santos, apologized to the local press for Chavez' security detail, and new Minister of the Interior Fillizola said he wouldn't allow foreigners to usurp the job of Paraguayan security organizations in the future. Several politicians publicly criticized Chavez for interfering in internal affairs and forgetting he was a visitor in Paraguay ("piensa que esta en casa"); others criticized freedoms in Venezuela and said until those conditions improve, Venezuela should not be part of Mercosur. Another senator said "the first thing totalitarian governments do is censure the press," in reference to Venezuela. One editorial proclaimed "we're tired of Chavez" in Guarani.

ADVICE AND OIL FROM CHAVEZ

¶4. (C) Chavez did, however, get a good amount of "face time" with Lugo. They appeared together in Lugo's first presidential press conference August 15, during which Presidents Chavez and Correa (Ecuador) advised Lugo to "democratize the media." Chavez spoke about his victories in the fight against poverty "in spite of the enormous media war against Venezuela." He asserted that Venezuela has "unlimited freedoms of press and expression" and alleged that the United States is the country which "most violates press freedoms." Lugo, on the other hand, focused his discourse on domestic issues, saying only that he would maintain respectful relations with all countries. At the August 15 "fiesta popular", Chavez, Lugo and Lugo sidekick/Venezuelan sympathizer Marcial Congo sang "Everything Changes" together on stage. Chavez dedicated a poem to Simon Bolivar; one song was dedicated to Che Guevara.

¶5. (C) On August 16, Chavez accompanied Lugo to the new president's home department of San Pedro, where they signed a 12-point agreement on energy security, education, food security, creation of ophthalmological centers, and the incorporation of Paraguay into Telesur. Chavez spoke for over a half hour, making a pitch for Venezuela's entry into Mercosur and alleging that Paraguay would be the country "most prejudiced" by Venezuela's exclusion. (NOTE: Lugo said that issue is for Paraguay's Congress. END NOTE). Chavez also gave Lugo a replica of a sword that belonged to Simon Bolivar. Lugo's response: "I don't know what to do with this," before awkwardly waiving it around and saying he would use it to fight corruption.

¶6. (C) Chavez did get public credit for bailing Paraguay out of a potential gas crisis which was predicted to peak around August 15. (NOTE: Petropar announced August 7 that PDVSA would supply 70 million liters of diesel (roughly 17 days of supply) on consignment. The consigned diesel will boost Petropar's reserves and provide short-term relief to shortages for the rest of the year. A Paraguay- Venezuela energy cooperation agreement provides that PDVSA will supply up to 70 percent of Paraguay's diesel demand. END NOTE).

COMMENT: HIS OWN MAN?

¶7. (C) COMMENT: While Lugo appeared alongside Chavez August 15-16, Lugo was careful not to mimic Chavez' rhetoric. Lugo's own public discourse was moderate (see septel on Lugo's inauguration speech) and affirmed his desire for strong relations with all countries in the hemisphere. While Embossos have heard reports that Chavez has attempted to condition Venezuelan aid on Lugo rejecting U.S. assistance, Lugo has shown all signs to the contrary, actively seeking U.S. cooperation. For now, it appears that Lugo is his own man. END COMMENT.

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AYALDE